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## OIFP Public Awareness

# they find out

How'd they find out?


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IS A  
SERIOUS  
CRIME.**

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NEW JERSEY OFFICE OF INSURANCE FRAUD PROSECUTOR **LIPS**



# **OIFP Public Awareness and Insurance Fraud Training Programs Spread the Word on Insurance Fraud**

by John Butchko

From its inception in 1998, the New Jersey Office of the Insurance Fraud Prosecutor (OIFP) has dedicated itself to educating and informing friend and foe, alike, that insurance fraud is a serious crime that will not be tolerated in New Jersey. Or, as stated in OIFP's award winning public awareness campaign, "New Jersey is Fed Up," OIFP's multi-channeled, multi-media approach to public outreach and training efforts has been a major contributing factor to OIFP's success as an international leader in the war on fraud in 2003. By developing specialized fraud awareness and training programs for the insurance industry, County Prosecutors and local law enforcement, as well as by pursuing a statewide fraud awareness program for the general public, OIFP continues to effectively spread the word regarding the significant impact of insurance fraud on the residents of New Jersey, as well as how we can each do our part in stamping it out.

## ***Industry Awareness Efforts***

OIFP's multi-channeled approach to education and training in the field of insurance fraud has spawned frequent opportunities for sharing New Jersey's "zero tolerance" approach to the investigation and prosecution of insurance fraud with insurance industry professionals, not only locally and nationally, but throughout the world. In September of 2003, New Jersey Insurance Fraud Prosecutor Greta Gooden Brown was invited to be the guest keynote speaker at the annual Asia Pacific Fraud Conference in Australia, where she was joined by members of the Federal Bureau of Investigation, the Coalition Against Insurance Fraud, Europe Pol, and the Australian Health Insurance and Crime Commissions to provide information on effective insurance fraud detection and prosecution strategies to professionals from countries around the Pacific Rim. Prosecutor Brown and



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OIFP were subsequently featured on the cover of *Fraud International* magazine's November-December issue, which cited OIFP's successes as a model for similar fraud fighting agencies.

In 2003, OIFP also hosted, and provided assistance to, a representative of the Columbian Institute for Fraud Prevention and Detection, who visited the United States for guidance and advice in establishing a similar agency in the country of Columbia to fight insurance fraud. Representatives of OIFP were also requested to share their insurance fraud fighting expertise as keynote speakers and lecturers at many other insurance fraud workshops and conferences, including the Insurance Fraud Managers' Council, the Delaware Valley Chapter of the International Association of Special Investigative Units, the New Jersey Special Investigators Association, the Insurance Council of New Jersey, the Greater Philadelphia Claims Association, the Health Insurance Finance Managers Association and the Charter Property/Casualty Underwriters of Central Jersey.

With the support and commitment of the New Jersey insurance industry, in 2003, OIFP established the OIFP/Industry Joint Training Program, where insurance fraud detection and prosecution techniques can be shared among New Jersey insurance professionals. Through the Program, OIFP has provided lectures, hands-on training, and other informational presentations to nearly two thousand insurance company employees in 2003, including insurance industry producers, underwriters, claims adjusters, SIU investigators and defense attorneys. By reaching out to every segment of the insurance community, OIFP and its industry partners remind us all to maintain our collective vigilance in detecting, reporting and prosecuting insurance fraud.

These opportunities have proven to be highly beneficial in fostering the spirit of cooperation and collaboration necessary to successfully investigate and prosecute insurance fraud.

OIFP's Liaison Section, working with the Division of Criminal Justice's Media Center, has also implemented a mechanism, relying upon "broadcast" e-mails, to provide insurance industry representatives with all OIFP press releases virtually immediately upon their dissemination to the news media. This new program to promptly inform the insurance industry of individuals who have been criminally charged by OIFP, or who have been convicted or sentenced for insurance fraud in the courts, provides claims representatives and industry fraud investigators with timely and invaluable information which enables them, in many cases, to expeditiously assess potential claims exposure stemming from possible or proven insurance fraud.

## ***Law Enforcement Training Programs***

As in past years, OIFP in 2003 again provided in-service training for Assistant Prosecutors and investigative personnel from the 19 County Prosecutors' Offices receiving insurance fraud grants from OIFP. This annual training is designed to update County Prosecutor staff assigned to handle insurance fraud cases on current and emerging insurance fraud issues, as well as to offer them legal and investigative training in insurance fraud in order to better enable them to investigate and prosecute insurance fraud in their respective counties. With the assistance of OIFP's County Prosecutor Liaison, who served as organizer and moderator, County Prosecutor personnel participated in the 2003 13th Annual New Jersey Special Investigators Association (NJSIA) Con-

ference. Many of those in attendance benefited by participating as panel members or otherwise contributing to a workshop in the form of a "County Investigators Roundtable Discussion," which presented a wide variety of the most successful pro-active insurance fraud programs being implemented by County Prosecutors' Offices from around the State.

The Insurance Fraud Prosecutor and County Prosecutor Liaison, on several occasions throughout the year, also made presentations directly to the State's 21 County Prosecutors, explaining in detail the operations of OIFP, its program of insurance fraud grants available to their respective offices and the Attorney General's recently promulgated Guidelines for the Investigation and Prosecution of Insurance Fraud. The County Prosecutor Liaison and grant experts from the Division of Criminal Justice also conducted meetings directly with representatives of County Prosecutors' Offices to review and explain the program requirements of the County Prosecutor Insurance Fraud Reimbursement Program, now entering its sixth year of providing financial assistance to County Prosecutors who wish to establish or augment insurance fraud units within their offices.

Through its Law Enforcement Liaison, OIFP's law enforcement outreach efforts continued to provide insurance fraud identification training to local police officers. Recognizing that the patrol officer on the street often represents the first line of defense against insurance scams such as "staged" accidents, fraudulent auto thefts, and false or inflated burglary loss claims, OIFP conducts a comprehensive program of specialized training to both rookie and veteran police officers. For experienced officers, training is offered on varying topics depending on the needs

and interests of the particular officers receiving the training. For police recruits, introductory insurance fraud training is provided at county police training academies that addresses the detection and investigation of insurance frauds ranging from phony insurance identification cards to staged auto accidents and thefts. In 2003, OIFP conducted training for over 415 police officers over the course of 16 separate sessions. The OIFP's Liaison Section also staffed exhibit booths at the New Jersey Police Expo held in conjunction with the annual New Jersey Chiefs of Police Convention in Atlantic City in June 2003, and the annual NJSIA Conference, also held in Atlantic City later in the year. Information and other resource materials, including brochures, manuals and OIFP produced Insur-

*Joy Champion, Special Agent of the National Insurance Crime Bureau, addresses members of the OIFP Civil Investigator Academy.*





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*OIFP Civil Supervisor Michele Margiotta hands out literature at the 13th Annual New Jersey Special Investigators Association Training Conference.*



ance Fraud Roll Call Training Videos, were made available to attendees at both events.

In addition to its roster of training opportunities provided to other law enforcement agencies, at least once a year, OIFP conducts a Basic Course for Civil Investigators spanning several weeks, as well as providing other in-service training opportunities for in-house State Investigators and Deputy Attorneys General who investigate and prosecute OIFP's criminal cases.

## ***Statewide Public Anti-Fraud Awareness Campaign***

With the conclusion of the third and final phase of OIFP's first, highly acclaimed public awareness campaign, which featured television and radio commercials, billboards, newspaper advertisements and posters on New Jersey Transit trains and buses, OIFP continued its public awareness program in 2003 through additional, alternative channels, including the distribution of anti-insurance fraud posters and literature which were originally produced as part of its first media campaign. In 2003, OIFP began developing a new media campaign which is ex-



pected to build on the success of its first effort. Accordingly, it is anticipated that OIFP will launch a new public awareness message in 2004, which will amplify and expand upon the message of the prior campaign, that insurance fraud is a serious crime that can put you "behind bars."

### OIFP Online

OIFP also maintains an informative Web site, [www.njInsuranceFraud.org](http://www.njInsuranceFraud.org), where, in addition to explaining OIFP's mission and offering general information regarding insurance fraud, OIFP posts its Annual Reports to the Governor and Legislature as well as OIFP press releases reporting significant events in the progress of OIFP's cases, such as the indictment, conviction and sentencing of individuals who have committed insurance fraud in New Jersey. The Web site explains the most commonly committed types of insurance fraud and offers the public several means of reporting cases of suspected insurance fraud to OIFP, including an online reporting form and the listing of both an e-mail address and hotline phone number staffed by OIFP employees. The Web site also enables visitors to view OIFP's media campaign television ads, and posts information and forms for the insurance industry regarding their requirements for reporting fraud to OIFP. By the end of 2003, OIFP, working with the Media Center of the Division of Criminal Justice, was nearing completion of a major expansion of the Web site, which will offer additional online resources for law enforcement officials engaged in the investigation of insurance fraud. This expansion is expected to go online early in 2004.

### Annual New Jersey Insurance Fraud Summit

OIFP's public awareness efforts culminate annually in the holding of an insurance fraud summit, which has evolved over the last several years to become one of the most important meetings of insurance fraud officials in the world. The Summit is hosted by OIFP, co-sponsored by the New Jersey Special Investigators Association (NJSIA) and the Insurance Council of New Jersey (ICNJ) and attended by officials such as New Jersey Governor James E. McGreevey, Attorney General Peter C. Harvey, Director of the Division of Criminal Justice Vaughn L. McKoy and Insurance Fraud Prosecutor Greta Gooden Brown, as well as by insurance industry and law enforce-

[www.njInsuranceFraud.org](http://www.njInsuranceFraud.org)

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**OIFP Home**

**Fraud Examples**

**Report Fraud**

**Fraud News**

**Annual Report**

**Fraud Search**

**Regulation of Industry**

**Office of the Insurance Fraud Prosecutor**

On May 19, 1998, the Automobile Insurance Cost Reduction Act of 1998 (AICRA) was enacted which created the OIFP P.L. 1998, c.21. The mission of the OIFP is to thoroughly investigate allegations of Medicaid and insurance fraud and to develop case-specific facts and evidence. This allows the State of New Jersey to make a reasoned decision whether and how to proceed in cases involving insurance fraud, especially against those who submit false or inflated claims to private or government insurance providers.

OIFP serves as the focal point for all criminal, civil and administrative prosecutions of Medicaid and insurance fraud. The Office also coordinates all insurance-related anti-fraud activities of State and local departments and agencies.

**Click Images**

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**Filing false insurance claims... you're paying for his success. How? they find out?**

This web site is designed



# OIFP Public Awareness

## Who Commits Insurance Fraud in New Jersey?

With possible exception of murder and drug abuse, no serious crime attracts as wide a variety of perpetrators as insurance fraud. People who would never think of robbing a bank, stealing a car or burglarizing a home can find the temptations of "easy money" from insurance fraud hard to resist.

The files of the Office of Insurance Fraud Prosecutor demonstrate that Insurance Fraud is crime committed by people in a wide range of occupations.

**Occupations listed on the left:**

- Automobile Body Shop Operator
- Automobile Salesperson
- Automobile Towing Dispatcher
- Blue Cross/Blue Shield Claims Adjuster
- Chiropractor
- Clinic Operator
- Computer Technician
- Food Packer
- Funeral Home Director
- Guidance Counselor
- Insurance Adjuster
- Lab Manager
- Lab Technician
- Medical Receptionist
- Medical Transportation Operator

**Occupations listed on the right:**

- New Jersey Corrections Officer
- Optometrist
- Pharmacist
- Physician
- Police Communications Supervisor
- Police Officer
- Psychologist
- Salesman
- School Administrator
- School Psychologist
- School Security Guard
- School Vice Principal
- Social Worker
- Teacher
- Towing Company Operator

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New Jersey's **FED UP.**  
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to OIFP, as well as in their cooperation and coordination with OIFP, and the outcome of their investigations. The Summit included breakout sessions for insurance industry executives, SIU representatives and members of the law enforcement community, where current issues of particular interest to each group were explored in depth. Summit keynote speakers, including Dennis Jay, Executive Director of the Coalition Against Insurance Fraud, and William J. Mahon, President and CEO of the National Health Care Anti-Fraud Association, used the occasion to offer a national perspective on New Jersey's noteworthy insurance fraud accomplishments in 2002 and 2003.

**John Butchko** is a 25 year veteran of State government and currently serves as a Special Assistant in the Office of the Insurance Fraud Prosecutor where he acts as the Liaison to the insurance industry, the New Jersey Department of Banking and Insurance, and the New Jersey Motor Vehicle Commission. Prior to joining OIFP in 1998, he served as the Chief Investigator and Deputy Director of the Division of Insurance Fraud Prevention in the New Jersey Department of Banking and Insurance.

ment executives. The Summit serves as a vehicle to emphasize the importance of the public/private partnership between government and industry officials in New Jersey's war against insurance fraud. At this year's Sixth Annual Summit, the First Annual Insurance Fraud Prosecutor's "Excellence in Investigation Award" was presented to Prudential Property & Casualty as the Special Investigative Unit which most exemplified excellence in the quality of their referrals



